

Hispanic Technology & Telecommunications Partnership

Advancing Access to Broadband Technologies for Unserved and Underserved Communities

HTTP Members

Alianza Dominicana

ASPIRA Association

Association for the Advancement of

Mexican Americans

Cuban American National

Council

Dialogue on Diversity

Hispanic Federation

Hispanic Information Television Network

Interamerican College of Physicians and

Surgeons

Labor Council for Latin American

Advancement

Latinos in Information Sciences and

Technology Association

MANA, A National Latina Organization

National Association of Hispanic Publications

National Conference of Puerto Rican Women

National Hispanic Council on Aging

National Hispanic Medical Association

National Puerto Rican Coalition

The Hispanic Institute

U.S.-Mexico Chamber of Commerce

U.S. Hispanic Chamber of Commerce

Hispanic Technology and Telecommunications Partnership

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Federal Communications Commission

445 12th Street, S.W. Washington, D.C. 20554

<u>Comments re: Further Inquiry into Certain Issues in the Universal Service – Intercarrier Compensation Transformation Proceeding</u>

WC Docket Nos. 10-90, 07-135, 05-337, 03-109

CC Docket No. 01-92, 96-45

GN Docket No. 09-51

Dear Chairman Genachowski and Commissioners:

The Hispanic Technology and Telecommunications Partnership (HTTP) is a coalition of national Hispanic organizations working to increase awareness of the impact of technology and telecommunications policy on the U.S. Hispanic community.

HTTP members are nonprofit organizations that support the social, political, and economic advancement of 51 million Americans of Hispanic descent by facilitating access to health care, quality education, economic opportunity, technology tools and resources.

HTTP thanks the commission for the opportunity to submit comments on the Universal Service Fund and Intercarrier Compensation proceeding. Universal Service has been central to the FCC's goal of making vital communications services accessible to all Americans. Despite its successes, policymakers, industry and advocates widely agree that USF and ICC have become unsustainable and desperately needs to be reformed.

The latest census numbers show that Latino communities are more dispersed than ever — including in rural and ex-urban communities that are among the least-connected areas of America. And so, the Latino broadband adoption challenge is both a rural and urban challenge. Reform of the Universal Service Fund to close the digital divide must consider the complexities of the communities that we hope to serve.

We support the proposal to create a "Connect America Fund" to deploy broadband access where there is currently no business case for carriers to provide service. The proposal has the potential to dramatically improve broadband access for the hardest to reach Latino communities in rural communities across America. An encouraging element of the proposal to reform USF is for rural broadband subsidies to be awarded through "a combination of forward-looking cost models and competitive bidding". The plan is also technology neutral: providers could use any wireline or wireless technology as long as it meets the FCC's bandwidth and capacity requirements.

In terms of ICC reform, the plan recommends a low flat rate of \$0.0007 for firms to pay one another for carrying each other's telephone traffic. ICC Compensation reform is needed to eliminate the waste, fraud and abuse made possible by the current complicated, multi-tiered ICC system. "Pumping" schemes have developed into large business models that "pump" calls into a rural carrier, for example, via a "free" conferencing service – ultimately compensated by the arcane rules of ICC. These schemes draw hundreds of millions of dollars out of the system, and drive prices up.

These reforms, if implemented can have a dramatic impact in extending broadband to Latinos living in rural and hard to reach places — USF reform in the context of the "high-cost" fund should be directed at bringing broadband to those unreached by a connection to the digital world.

HTTP also encourages the commission, in considering reform of the Universal Service Fund, to give careful consideration to the particular needs of the Latino community for resources that drive broadband adoption in all communities through a focus on digital literacy and opportunities to make home broadband connections more affordable for those who most need it. The Latino digital divide is well-documented, and central to this coalition's advocacy for many years. The actual needs of the community in a new, broadband-driven world must drive out efforts to reform Universal Service.

The advancement of Latino and other disadvantaged communities in these difficult economic times depends on greater access to, and adoption of digital tools that expand access to online information, services and applications that enhance quality of life – especially for Latino-owned small businesses – one of the country's most important economic drivers. The benefits of broadband are well documented and we must ensure that every American has the opportunity to take full advantage of the benefits.

HTTP is encouraged to see progress on this important issue and looks forward to working with the FCC, industry and other stakeholders on ensuring that we expand broadband to all Americans through the advancement of comprehensive proposals that reform the Universal Service Fund to benefit all communities.

Thank you for your continued efforts to help bring the transformative benefits of broadband to the Latino community and all Americans. HTTP looks forward to working with the commission throughout the process of developing new rules for USF.

Respectfully submitted,

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Executive Director

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Co-signing organizations:

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Latinos in Information Sciences and Technology Association (LISTA)

Labor Council for Latin American Advancement (LCLAA)

League of United Latin America Citizens (LULAC)

US Hispanic Chamber of Commerce